

SERFF Tracking Number:	PRGS-125322171	State:	Arkansas
First Filing Company:	Progressive Casualty Insurance Company, ...	State Tracking Number:	AR-PC-07-026431
Company Tracking Number:	L070932-AR-MC		
TOI:	19.0 Personal Auto	Sub-TOI:	19.0002 Motorcycle
Product Name:	Motorcycle		
Project Name/Number:	Brand/L070932-AR-MC		

Filing at a Glance

Companies: Progressive Casualty Insurance Company, Progressive Northwestern Insurance Company, Progressive Direct Insurance Company

Product Name: Motorcycle	SERFF Tr Num: PRGS-125322171	State: Arkansas
TOI: 19.0 Personal Auto	SERFF Status: Closed	State Tr Num: AR-PC-07-026431
Sub-TOI: 19.0002 Motorcycle	Co Tr Num: L070932-AR-MC	State Status:
Filing Type: Form	Co Status:	Reviewer(s): Alexa Grissom, Betty Montesi, Brittany Yielding
	Author: Pdpq 4	Disposition Date: 02/07/2008
	Date Submitted: 10/12/2007	Disposition Status: Approved
Effective Date Requested (New): 01/09/2008		Effective Date (New): 02/07/2008
Effective Date Requested (Renewal):		Effective Date (Renewal):

State Filing Description:

General Information

Project Name: Brand	Status of Filing in Domicile:
Project Number: L070932-AR-MC	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 02/07/2008	
State Status Changed: 10/15/2007	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
The Arkansas Motorcycle Policy – Form No. 5072 AR (02/06) replaces the Arkansas Boat and Personal Watercraft Policy, Form 5072 (AR (02/06) which was approved on June 15, 2006 in AR-PC-06-018477. There are no substantive changes or text changes of any kind to the form that was previously filed and approved.	

The following minor changes were made to the policy:

- A new logo on the front cover
- A new bar code on the front/back covers

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Product Name:	Motorcycle		
Project Name/Number:	Brand/L070932-AR-MC		

- The phone number on page 1 was changed

Company and Contact

Filing Contact Information

Edward P. Simms, Senior Counsel	edward_p_simms@progressive.com
6300 Wilson Mills Rd. N72B	(440) 395-3013 [Phone]
Mayfield Village, OH 44143	(440) 395-3790[FAX]

Filing Company Information

Progressive Casualty Insurance Company	CoCode: 24260	State of Domicile: Ohio
6300 Wilson Mills Road	Group Code: 155	Company Type:
Mayfield Village, OH 44143	Group Name:	State ID Number:
(440) 461-5000 ext. [Phone]	FEIN Number: 34-6513736	

Progressive Northwestern Insurance Company	CoCode: 42919	State of Domicile: Ohio
6300 Wilson Mills Road	Group Code: 155	Company Type:
Mayfield Village, OH 44143	Group Name:	State ID Number:
(440) 461-5000 ext. [Phone]	FEIN Number: 91-1187829	

Progressive Direct Insurance Company	CoCode: 16322	State of Domicile: Ohio
6300 Wilson Mills Rd, N72	Group Code: 155	Company Type:
Cleveland, OH 44143	Group Name:	State ID Number:
(440) 461-5000 ext. [Phone]	FEIN Number: 34-1524319	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Progressive Direct Insurance Company	\$50.00	10/12/2007	16097721

SERFF Tracking Number: *PRGS-125322171* *State:* *Arkansas*
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TOI: *19.0 Personal Auto* *Sub-TOI:* *19.0002 Motorcycle*
Product Name: *Motorcycle*
Project Name/Number: *Brand/L070932-AR-MC*

Progressive Casualty Insurance Company	\$0.00	10/12/2007
Progressive Northwestern Insurance Company	\$0.00	10/12/2007

<i>SERFF Tracking Number:</i>	<i>PRGS-125322171</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>Progressive Casualty Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026431</i>
<i>Company Tracking Number:</i>	<i>L070932-AR-MC</i>		
<i>TOI:</i>	<i>19.0 Personal Auto</i>	<i>Sub-TOI:</i>	<i>19.0002 Motorcycle</i>
<i>Product Name:</i>	<i>Motorcycle</i>		
<i>Project Name/Number:</i>	<i>Brand/L070932-AR-MC</i>		

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Product Name:	Motorcycle		
Project Name/Number:	Brand/L070932-AR-MC		

Disposition

Disposition Date: 02/07/2008
Effective Date (New): 02/07/2008
Effective Date (Renewal):
Status: Approved
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number: PRGS-125322171 State: Arkansas

First Filing Company: Progressive Casualty Insurance Company, ... State Tracking Number: AR-PC-07-026431

Company Tracking Number: L070932-AR-MC

TOI: 19.0 Personal Auto Sub-TOI: 19.0002 Motorcycle

Product Name: Motorcycle

Project Name/Number: Brand/L070932-AR-MC

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Readability	Approved	Yes
Supporting Document	Cover letter	Approved	Yes
Supporting Document	Comparison Document	Approved	Yes
Form (revised)	Arkansas Motorcycle Policy	Approved	Yes
Form	Arkansas Motorcycle Policy	Approved	No

SERFF Tracking Number: PRGS-125322171 State: Arkansas
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Company Tracking Number: L070932-AR-MC
TOI: 19.0 Personal Auto Sub-TOI: 19.0002 Motorcycle
Product Name: Motorcycle
Project Name/Number: Brand/L070932-AR-MC

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 11/06/2007
Submitted Date 11/06/2007

Respond By Date

Dear Edward P. Simms,

This will acknowledge receipt of the captioned filing. Please review Act 373 of 2007 and advise if you are in compliance with such law.

Please feel free to contact me if you have questions.

Sincerely,

Alexa Grissom

Response Letter

Response Letter Status Submitted to State
Response Letter Date 02/04/2008
Submitted Date 02/04/2008

Dear Alexa Grissom,

Comments:

Response 1

Comments: I write in response to your November 6, 2007 Objection Letter. In that letter, you asked us to "review Act 373 of 2007 and advise if you are in compliance with such law."

I have reviewed Act 373 of 2007 and revised our motorcycle policy, Form No. 5072 AR (02/06), to comply therewith. The amended policy is being submitted herewith for your approval. Also being submitted herewith is a redline version showing the changes we have made to comply with the law.

Please note that the proposed effective date has changed from January 9, 2008 to March 13, 2008.

Changed Items:

Supporting Document Schedule Item Changes

SERFF Tracking Number: PRGS-125322171 State: Arkansas

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Product Name: Motorcycle

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Satisfied -Name: Comparison Document
Comment:

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Arkansas Motorcycle Policy	5072 AR	02/06	Policy/Coverage Form	Replaced	AR-PC-06-018477	41	5072_AR_12-07.pdf
Previous Version							
Arkansas Motorcycle Policy	5072 AR	02/06	Policy/Coverage Form	Replaced	AR-PC-06-018477	41	50720602 AR.pdf

No Rate/Rule Schedule items changed.

Sincerely,
Pdpg 4

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TOI: 19.0 Personal Auto Sub-TOI: 19.0002 Motorcycle
Product Name: Motorcycle
Project Name/Number: Brand/L070932-AR-MC

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 02/07/2008

Comments:

Attachment:

industry_rates_PCtransDoc_intelligent.pdf

Satisfied -Name: Readability **Review Status:** Approved 02/07/2008

Comments:

Attachment:

Readability Certificate for 5072 AR _02-06_.pdf

Satisfied -Name: Cover letter **Review Status:** Approved 02/07/2008

Comments:

Attachment:

10-12-07 Initial Cvr Ltr for AR MC Brand.pdf

Satisfied -Name: Comparison Document **Review Status:** Approved 02/07/2008

Comments:

Attachment:

5072 AR _12-07_1r.pdf

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only	
	a. Date the filing is received:	
	b. Analyst:	
	c. Disposition:	
	d. Date of disposition of the filing:	
	e. Effective date of filing:	
	New Business	
	Renewal Business	
	f. State Filing #:	
	g. SERFF Filing #:	
h. Subject Codes		

3. Group Name					Group NAIC #
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #	
	OH	16322	34-1524319		
	OH	42919	91-1187829		

5. Company Tracking Number	
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
7. Signature of authorized filer				
8. Please print name of authorized filer				

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)				
10. Sub-Type of Insurance (Sub-TOI)				
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]				
12. Company Program Title (Marketing title)				
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)			
14. Effective Date(s) Requested	New:		Renewal:	
15. Reference Filing?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
16. Reference Organization (if applicable)				
17. Reference Organization # & Title				
18. Company's Date of Filing				
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved			

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	
21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	

[illegible]

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

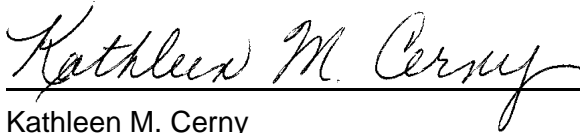
(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #				
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)				
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

PC FFS-1

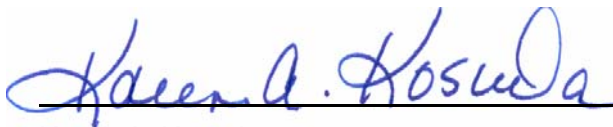
READABILITY CERTIFICATE

We, Kathleen M. Cerny, Assistant Secretary of Progressive Casualty Insurance Company and Progressive Northwestern Insurance Company, and Karen A. Kosuda, Assistant Secretary of Progressive Direct Insurance Company certify that the **Arkansas Motorcycle Policy – Form No. 5072 AR (02/06)**, achieved a score of **41.4** and complies with the readability requirements of the State of Arkansas when tested in accordance with the Flesch Reading Ease Test.



Kathleen M. Cerny
Assistant Secretary
Progressive Casualty Insurance Company
Progressive Northwestern Insurance Company

Date: 10/12/2007



Karen A. Kosuda
Assistant Secretary
Progressive Direct Insurance Company

Date: 10/12/2007



October 12, 2007

FILED VIA SERFF

Arkansas Insurance Department
Property & Casualty Division
1200 West Third Street
Little Rock, AR 72201-1904

RE: Form Filing – Private Passenger Auto/Motorcycle – Our File # L070932-AR-MC
PROGRESSIVE CASUALTY INSURANCE COMPANY (NAIC # 155-24260)
PROGRESSIVE DIRECT INSURANCE COMPANY (NAIC # 155-16322)
PROGRESSIVE NORTHWESTERN INSURANCE COMPANY (NAIC # 155-42919)

Arkansas Motorcycle Policy – Form No. 5072 AR (02/06)

SERFF Tracking # PRGS-125322171

Included in this filing is the above-referenced form for your review and approval. The date we propose to begin using this form is **January 9, 2008**. We will notify you if this date changes. This form does not affect rates.

The **Arkansas Motorcycle Policy – Form No. 5072 AR (02/06)** replaces the Arkansas Boat and Personal Watercraft Policy, Form 5072 (AR (02/06) which was approved on June 15, 2006 in AR-PC-06-018477. There are no substantive changes or text changes of any kind to the form that was previously filed and approved.

The following minor changes were made to the policy:

- A new logo on the front cover
- A new bar code on the front/back covers
- The phone number on page 1 was changed

We have included the required NAIC Property & Casualty Transmittal Document and Certificate of Readability. The required filing fee in the amount of \$50.00 is being submitted via Federal Express.

If you have any comments or questions with respect to this filing, please feel free to e-mail me at the address below or call me at 800-321-9843, network extension 625-3013. Thank you in advance for your attention to this filing.

Sincerely,

Edward P. Simms
Senior Counsel
Direct: (440) 395-3013
FAX: (440) 395-3790
E-mail: edward_p_simms@progressive.com

EPS/aml

**ARKANSAS
MOTORCYCLE
POLICY**

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ARKANSAS MOTORCYCLE POLICY

If **you** pay **your** premium on time, **we** will provide the insurance described in this policy.

YOUR DUTIES

WHAT YOU MUST DO IN CASE OF AN ACCIDENT OR LOSS

Notify Us As Soon As Practicable

If a person or **motorcycle** covered by this policy is involved in an **accident** or **loss** for which this insurance may apply, report it to **us** within twenty-four (24) hours or as soon as practicable by calling **us** at **1-800-274-4499**.

For coverage to apply under this policy, you or an insured person must promptly report each accident or loss even if an insured person is not at fault.

You should provide **us** with the following **accident** or **loss** information as soon as it is available:

- time;
- place;
- circumstances of the **accident** or **loss** (for example, how the accident happened and weather conditions);
- names and addresses of all persons involved;
- names and addresses of any witnesses; and
- the license plate numbers of the vehicles involved.

You or an insured person should also notify the police within twenty-four (24) hours or as soon as practicable if:

- a hit-and-run vehicle is involved; or
- theft or vandalism has occurred.

A person claiming coverage must:

- cooperate with **us** in any matter concerning a claim or lawsuit;
- provide any written proof of loss **we** may reasonably require;
- allow **us** to take signed and recorded statements, including sworn statements and examinations under oath, and answer all reasonable questions **we** may ask as often as **we** may reasonably require;
- promptly send **us** any and all legal papers relating to any claim or lawsuit;
- attend hearings and trials as **we** require;
- take reasonable steps after a **loss** to protect the **covered motorcycle**, non-owned motorcycle, or **trailer** from further **loss**. **We** will pay reasonable expenses incurred in providing that protection. If **you** fail to do so, any further damages will not be covered under this policy;
- allow **us** to have the damaged **covered motorcycle**, non-owned motorcycle, or **trailer** inspected and appraised before its repair or disposal;
- submit to medical examinations at **our** expense by doctors **we** select as often as **we** may reasonably require; and
- authorize **us** to obtain medical and other records.

GENERAL DEFINITIONS

Except as otherwise defined in this policy, terms appearing in boldface, whether in the singular, plural or possessive, will have the following meaning:

1. **"Accident"** means a sudden, unexpected, and unintended occurrence.
2. **"Bodily injury"** means bodily harm, sickness, or disease, including death that results from bodily harm, sickness, or disease.
3. **"Business"** includes a trade, profession, or occupation.
4. **"Covered motorcycle"** means:
 - a. any **motorcycle** shown on the **Declarations Page**, unless **you** have asked **us** to delete that **motorcycle** from the policy;
 - b. any additional **motorcycle** on the date **you** become the **owner** if:
 - (i) **you** acquire the **motorcycle** during the policy period shown on the **Declarations Page**;
 - (ii) **we** insure all **motorcycles owned by you**; and
 - (iii) no other insurance policy provides coverage for that **motorcycle**.If **we** provide coverage for a **motorcycle** **you** acquire in addition to any **motorcycle** shown on the **Declarations Page**, **we** will provide the broadest coverage **we** provide for any **motorcycle** shown on the **Declarations Page**. **We** will provide that coverage for a period of thirty (30) days after **you** become the **owner**. **We** will not provide coverage after this thirty (30) day period, unless within this period **you** ask **us** to insure the additional **motorcycle**. If **you** add any coverage to this policy or increase **your** limits, these changes to **your** policy will not become effective until after **you** ask **us** to add the coverage or increase **your** limits; ~~and~~
 - c. any replacement **motorcycle** on the date **you** become the **owner** if:
 - (i) **you** acquire the **motorcycle** during the policy period shown on the **Declarations Page**;
 - (ii) the **motorcycle** that **you** acquire replaces one shown on the **Declarations Page**; and
 - (iii) no other insurance policy provides coverage for that **motorcycle**.If the **motorcycle** that **you** acquire replaces one shown on the **Declarations Page**, it will have the same coverage as the **motorcycle** it replaces. **You** must ask **us** to insure a replacement **motorcycle** within thirty (30) days after **you** become the **owner** if **you** want to continue any coverage **you** had under Part IV - Damage To A Motorcycle. If the **motorcycle** replaced did not have coverage under Part IV - Damage To A Motorcycle, **you** may add coverage for the replacement **motorcycle**. However, if **you** add coverage under Part IV - Damage To A Motorcycle, it will not become effective until after **you** ask **us** to add the coverage. If **you** add any other coverage to this policy or increase **your** limits, it will not become effective until after **you** ask **us** to add the coverage or increase **your** limits; ~~or-~~
 - d. **a loaner motorcycle.**
5. **"Declarations Page"** means the document from **us** listing:
 - a. the types of coverage **you** have elected;
 - b. the limit for each coverage;
 - c. the cost for each coverage;
 - d. the specified **motorcycles** covered by this policy;
 - e. the types of coverage for each **motorcycle**; and
 - f. other information applicable to this policy.
6. **"Loaner motorcycle"** means a **motorcycle** that **is**:
 - a. ~~is~~ loaned to **you** by a **duly licensed dealer**:
 - i. as a temporary substitute for a **covered motorcycle** while the **covered motorcycle** is out of use because of breakdown, repair, or servicing; or
 - ii. for use as a demonstrator vehicle; or
 - b. rented or leased from a rental company that is in the business of providing primarily private passenger vehicles to the public under a rental agreement for a period not to exceed 90 days.~~licensed repair facility or dealer; or~~
~~— b. you rent temporarily;~~
~~— while a covered motorcycle is not in use;~~
~~— a. because of an accident or loss covered by this policy; or~~
~~— b. because of breakdown, repair, service, or damage to that covered motorcycle.~~
7. **"Loss"** means sudden, direct, and accidental loss or damage.
8. **"Motorcycle"** means any motorcycle, motorbike, motor scooter, or motorized trike that is designed for operation principally upon public roads and has:
 - a. at least two wheels, but not more than three wheels;
 - b. completely open-air driver's seating; and
 - c. a motorcycle hand-grip steering device.
9. **"Occupying"** means in, on, entering, exiting, mounting or dismounting.
10. **"Owned"** means the person:
 - a. holds legal title to the vehicle;
 - b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or

- c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
11. **“Owner”** means any person who, with respect to a vehicle:
- a. holds legal title to the vehicle;
 - b. has legal possession of the vehicle that is subject to a written security agreement with an original term of six (6) months or more; or
 - c. has legal possession of the vehicle that is leased to that person under a written agreement for a continuous period of six (6) months or more.
12. **“Punitive or exemplary damages”** means damages which may be imposed to punish a wrong-doer and to deter others from similar conduct.
13. **“Relative”** means a person residing in the same household as **you**, and related to **you** by blood, marriage, or adoption, including a ward, stepchild, or foster child. **Your** unmarried dependent children temporarily away from home will be considered residents if they intend to continue to reside in **your** household.
14. **“Trailer”** means a non-motorized trailer designed to be towed on public roads by a **motorcycle**.
15. **“Transport trailer”** means a non-motorized trailer designed to be towed on public roads by a land motor vehicle and principally designed for transporting a **covered motorcycle**.
16. **“We”**, **“Us”**, and **“Our”** mean the company providing the insurance, as shown on the **Declarations Page**.
17. **“You”** and **“Your”** mean:
- a. a person or persons shown as a named insured on the **Declarations Page**; and
 - b. the spouse of a named insured if residing in the same household.

PART I - LIABILITY TO OTHERS

INSURING AGREEMENT

Subject to the Limits of Liability, if **you** pay the premium for liability coverage, **we** will pay damages, other than **punitive or exemplary damages**, for **bodily injury** and **property damage** for which an **insured person** becomes legally responsible because of an **accident** arising out of the:

1. ownership, maintenance, or use of a **motorcycle**; or
2. use of any **trailer** while attached to a:
 - a. **covered motorcycle**; or
 - b. non-owned motorcycle operated by an insured person.

Damages include prejudgment interest awarded against an **insured person**.

We will settle or defend, at **our** option, any claim for damages covered by this Part I.

ADDITIONAL DEFINITIONS

When used in this Part I, whether in the singular, plural or possessive:

1. **"Insured person"** means:
 - a. **you** or a **relative** with respect to an **accident** arising out of the ownership, maintenance, or use of a **covered motorcycle**;
 - b. any person with respect to an **accident** arising out of that person's use of a **covered motorcycle** with the express or implied permission of **you** or a **relative**;
 - c. a **relative** with respect to an **accident** arising out of the maintenance or use of a **non-owned motorcycle** with the express or implied permission of the **owner** of the **motorcycle**;
 - d. **you** with respect to an **accident** arising out of the maintenance or use of any **motorcycle** with the express or implied permission of the **owner** of the **motorcycle**;
 - e. any person or organization with respect only to vicarious liability for an **accident** arising out of the use of a **covered motorcycle** or **non-owned motorcycle** by a person described in a, b, c, or d above; and
 - f. any Additional Interest Insured designated by **you** in **your** application, or by a change request agreed to by **us**, with respect to liability for an **accident** arising out of the use of a **covered motorcycle** or **non-owned motorcycle** by a person described in a, b, c, or d above.
2. **"Non-owned motorcycle"** means any **motorcycle** that is:
 - a. **not a loaner motorcycle**; and
 - b. **not owned** by **you**, a **relative**, or the named insured's non-resident spouse.
3. **"Property damage"** means physical damage to, destruction of, or loss of use of, tangible property.

ADDITIONAL PAYMENTS

In addition to **our** limit of liability, **we** will pay for an **insured person**:

1. all expenses that **we** incur in the settlement of any claim or defense of any lawsuit;
2. interest accruing after entry of judgment, until **we** have paid or tendered that portion of the judgment which does not exceed **our** limit of liability. This does not apply if **we** have not been given notice of suit or the opportunity to defend an **insured person**;
3. the premium on any appeal bond or attachment bond required in any lawsuit **we** defend. **We** have no duty to purchase a bond in an amount exceeding **our** limit of liability, and **we** have no duty to apply for or furnish these bonds;
4. up to \$250 for a bail bond required because of an **accident** arising out of the ownership, maintenance, or use of a **covered motorcycle** or **non-owned motorcycle**. **We** have no duty to apply for or furnish this bond; and
5. reasonable expenses, including loss of earnings up to \$200 a day, incurred at **our** request.

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART I.

Coverage under this Part I, including **our** duty to defend, does not apply to:

1. **bodily injury** or **property damage** arising out of the ownership, maintenance, or use of a **motorcycle** or **trailer** while being used to carry or escort persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to ride-share arrangements or to use of a **motorcycle** for charitable events;
2. any liability assumed by an **insured person** under any contract or agreement;
3. **bodily injury** to an employee of an **insured person** arising out of or within the course of employment, except for domestic employees if benefits are neither paid nor required to be provided under workers' compensation, disability benefits, or similar laws;
4. **bodily injury** or **property damage** arising out of an **accident** involving a **motorcycle** or **trailer** while being used by a person

while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered motorcycle**;

5. **bodily injury** or **property damage** resulting from any pre-arranged or organized:
 - a. racing;
 - b. stunting;
 - c. speed or demolition contest or activity;closed course event, or in practice or preparation for any such contest, activity, or event. However, this exclusion does not apply to use of a **motorcycle** for escorting participants in charitable racing events;
6. **bodily injury** or **property damage** due to a nuclear reaction or radiation;
7. **bodily injury** or **property damage** for which insurance is afforded under a nuclear energy liability insurance contract;
8. any obligation for which the United States Government is liable under the Federal Tort Claims Act;
9. **bodily injury** or **property damage** caused by an intentional act of an **insured person** or at the direction of an **insured person**;
10. **property damage** to any property owned by, rented to, being transported by, used by, or in the charge of an **insured person** or a person residing in **your** household. However, this exclusion does not apply to:
 - a. a rented residence or a rented garage damaged by a **covered motorcycle**; or
 - b. **property damage** to another **covered motorcycle**;
11. **bodily injury** to **you** or a **relative**;
12. **bodily injury** or **property damage** resulting from a **relative's** operation or use of a vehicle, other than a **covered motorcycle**, owned by **you** or a person who resides with **you**;
13. **bodily injury** or **property damage** resulting from **your** operation or use of a vehicle owned by **you**, other than a **covered motorcycle**;
14. **bodily injury** or **property damage** arising out of the use of a **covered motorcycle** while leased or rented to others. However, this exclusion does not apply to the operation of a **covered motorcycle** by **you** or a **relative**; or
15. **bodily injury** or **property damage** arising out of the ownership, maintenance or use of a **motorcycle** or **trailer** while it is being used for commercial or **business** purposes.

LIMITS OF LIABILITY

The limit of liability shown on the **Declarations Page** is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered motorcycles**;
3. **trailers** shown on the **Declarations Page**;
4. **insured persons**;
5. lawsuits brought;
6. vehicles involved in an **accident**; or
7. premiums paid.

If the **Declarations Page** shows that "combined single limit" or "CSL" applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one **accident**. However, without changing this total "each accident" limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

If **your Declarations Page** shows a split limit:

1. the amount shown for "each person" is the most **we** will pay for all damages due to **bodily injury** to one person;
2. subject to the "each person" limit, the amount shown for "each accident" is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one **accident**; and
3. the amount shown for "property damage" is the most **we** will pay for the total of all **property damage** for which an **insured person** becomes liable as a result of any one **accident**.

The "each person" limit of liability includes the total of all claims made for **bodily injury** to a person and all claims of others, if allowed by law, derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

No one will be entitled to duplicate payments for the same elements of damages.

The total damages recoverable under this Part I shall be reduced by any payment to that person for the same elements of damages under Part II(A) Personal Injury Protection Coverage or Part III Uninsured/Underinsured Motorist Coverage.

A **motorcycle** and attached **trailer** are considered one **motorcycle**. Therefore, the Limits of Liability will not be increased for an **accident** involving a **motorcycle** which has an attached **trailer**.

FINANCIAL RESPONSIBILITY LAWS

When **we** certify this policy as proof of financial responsibility, this policy will comply with the law to the extent required. **You** must reimburse **us** if **we** make a payment that **we** would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is any other applicable liability insurance or bond, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for a:

1. **motorcycle**, other than a **covered motorcycle**; or
 2. **trailer**, other than a **trailer** being towed by a **covered motorcycle**;
- will be excess over any other collectible insurance, self-insurance, or bond.

~~Any insurance **we** provide for a **loaner motorcycle** will be primary over any applicable insurance provided by a policy issued to the owner of the **loaner motorcycle** for liability arising out of **your** use of the **loaner motorcycle**.~~

OUT-OF-STATE COVERAGE

If an **accident** to which this Part I applies occurs in any state, territory or possession of the United States of America or any province or territory of Canada, other than the one in which a **covered motorcycle** is principally garaged, and the state, province, territory or possession has:

1. a financial responsibility or similar law requiring limits of liability for **bodily injury** or **property damage** higher than the limits shown on the **Declarations Page**, this policy will provide the higher limit; or
2. a compulsory insurance or similar law requiring a non-resident to maintain insurance whenever the non-resident uses a **motorcycle** in that state, province, territory or possession, this policy will provide the greater of:
 - a. the required minimum amounts and types of coverage; or
 - b. the Limits of Liability under this policy.

RIGHT OF DIRECT ACTION

Any person entitled to payment of damages covered under this Part I, or his or her personal representative, shall be subrogated to the right of the person shown as the named insured on the **Declarations Page** for payment under this Part I. If a judgment against an **insured person** remains unsatisfied after thirty (30) days from the date notice of entry of judgment was served on either the **insured person**, the attorney for the **insured person**, or **us**, the injured person, or his or her personal representative, may maintain an action against **us** for the amount of the judgment not exceeding **our** Limits of Liability.

PART II(A) - PERSONAL INJURY PROTECTION COVERAGE

INSURING AGREEMENT - MEDICAL AND HOSPITAL BENEFITS COVERAGE

Subject to the Limits of Liability shown on the **Declarations Page**, if **you** pay the premium for Medical And Hospital Benefits Coverage, **we** will pay for reasonable and necessary expenses, incurred with-in two (2) years from the date of the **accident**, for medical, hospital, nursing, dental, surgical, ambulance, funeral and prosthetic services because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance or use of a motor vehicle.

Medical And Hospital Benefits Coverage includes payment for non-medical remedial care and treatment rendered in accordance with a recognized religious method of healing. Payment for hospital room charges shall be limited to the amount charged for semiprivate accommodations.

INSURING AGREEMENT - INCOME DISABILITY BENEFITS COVERAGE

Subject to **our** Limit of Liability, if **you** pay the premium for Income Disability Benefits Coverage, **we** will pay for **income disability benefits** because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance or use of a motor vehicle.

No payment for **income disability benefits** shall be made for any period following the death of the **insured person**.

INSURING AGREEMENT - ACCIDENTAL DEATH BENEFITS COVERAGE

If **you** pay the premium for Accidental Death Benefits Coverage, **we** will pay the amount stated on the **Declarations Page** for Accidental Death Benefits Coverage if an **insured person** dies within one (1) year of the date of an **accident** because of **bodily injury**:

1. caused by an **accident**; and
2. arising out of the ownership, maintenance, or use of a motor vehicle.

ADDITIONAL DEFINITIONS

When used in this Part II(A), whether in the singular, plural or possessive:

1. **"Income disability benefits"** means loss of income from work the **insured person** would have earned, during the period beginning eight (8) days from the date of the **accident** and not exceeding fifty-two (52) weeks, had the **insured person** not sustained **bodily injury**. If the **insured person** did not earn income from work at the time of the **accident**, **income disability benefits** means expenses reasonably incurred, during the period beginning eight (8) days from the date of the **accident** and not exceeding fifty-two (52) weeks, to obtain essential services in lieu of those the **insured person** would have performed, without income, for the benefit of the **insured person** or his or her family, had the **insured person** not sustained **bodily injury**.
2. **"Insured person"** means:
 - a. **you** or any **relative**; and
 - b. any other person:
 - (i) while **occupying** a **covered motorcycle**; or
 - (ii) when struck by a **covered motorcycle** while a pedestrian, bicyclist, or while riding on an animal or in a horse-drawn wagon or cart.
3. ~~3.~~ **"Non-owned motorcycle"** means any **motorcycle** that is:
 - a. ~~not~~ a **loaner motorcycle**; and
 - b. not **owned** by **you**, a **relative**, or the named insured's non-resident spouse.

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART II(A).

The coverages provided under this Part II(A) do not apply to **bodily injury**:

1. sustained by any person, other than **you** or a **relative**, who is a named insured or additional insured under any other valid and collectible motor vehicle insurance policy providing the minimum personal injury protection coverages required by law;
2. sustained by any person who intentionally caused such **bodily injury**;
3. sustained by any person while in the commission of a felony or while seeking to elude lawful apprehension or arrest by a law enforcement official;

4. to the extent benefits are paid or payable under any workers' compensation law, disability benefits law or similar law. However, this exclusion does not apply to Accidental Death Benefits Coverage;
5. sustained by any person while using or **occupying a motorcycle owned by you**, other than a **covered motorcycle**;
6. sustained by a **relative** while using or **occupying any motorcycle owned by that relative**, other than a **covered motorcycle**;
7. sustained by any person arising from the use of a **motorcycle** as a residence or premises;
8. sustained while **occupying a motorcycle** while being used to carry persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to ride-share arrangements or use of a **motorcycle** for charitable events;
9. arising out of an **accident** involving a **motorcycle** while being used by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered motorcycle**;
10. due to a nuclear reaction or radiation;
11. for which insurance is afforded under a nuclear energy liability insurance contract;
12. sustained by any person while **occupying a covered motorcycle** without the express or implied permission of **you** or a **relative**;
or
13. sustained by **you** or a **relative** while **occupying a non-owned motorcycle** without the express or implied permission of the **owner**.

LIMITS OF LIABILITY

The Limit of Liability for Medical And Hospital Benefits Coverage and the Limit of Liability for Accidental Death Benefits Coverage are both shown on the **Declarations Page**.

Our Limit of Liability for Income Disability Benefits Coverage is as follows:

1. if the **insured person** earned income from work at the time of the **accident**, **we** will pay no more than 70% of loss of gross income per week, not to exceed \$140 per week; and
2. if the **insured person** did not earn income from work at the time of the **accident**, **we** will pay no more than \$70 per week, or pro rata for a shorter period.

The Limits of Liability for the coverages provided under this Part II(A) represent the most **we** will pay for each **insured person** injured in any one **accident**, regardless of the number of:

1. claims made;
2. **covered motorcycles**;
3. **insured persons**;
4. lawsuits brought;
5. vehicles involved in an **accident**; or
6. premiums paid.

The total damages recoverable under this Part II(A) shall be reduced by any payment to that person for the same elements of damages under Part I - Liability To Others or Part III - Uninsured/Underinsured Motorist Coverage.

OTHER INSURANCE

1. With respect to **bodily injury** sustained by a **relative**, any Medical And Hospital Benefits Coverage or Income Disability Coverage afforded by this Part II(A) shall be excess over any other similar coverage provided by a motor vehicle insurance policy under which the **relative** is a named insured.
2. If **you** or a **relative** are insured under any other motor vehicle insurance policy providing coverage for **income disability benefits** or similar coverage, the most that **you** or a **relative** may recover for **income disability benefits** shall not exceed the amount payable under the policy providing the highest limit of liability.
3. No coverage will be provided under this Part II(A) for any person, other than **you** or a **relative**, who is a named insured or additional insured under any other valid and collectible motor vehicle insurance policy providing the minimum personal injury protection coverages required by law.

Subject to 1, 2, and 3 above, if there is other applicable personal injury protection insurance, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** Limit of Liability bears to the total of all applicable limits.

~~However, any coverage provided under this Part II(A) arising out of the operation of a **loaner motorcycle** by **you** will be primary over any applicable insurance provided by a policy issued to the **owner** of the **loaner motorcycle** for personal injury protection insurance.~~

No one shall be entitled to recover duplicate payments for **income disability benefits** or medical and hospital benefits under this or

any other motor vehicle insurance policy.

PART II(B) - MOTORCYCLE MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

Subject to the Limits of Liability, if **you** pay the premium for Motorcycle Medical Payments Coverage, **we** will pay the **usual and customary charge** for reasonable and necessary expenses, incurred within three (3) years from the date of an **accident**, for medical and funeral services because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance or use of a motor vehicle, **trailer**, or **transport trailer**.

Any dispute as to the **usual and customary charge** will be resolved between the service provider and **us**.

ADDITIONAL DEFINITIONS

When used in this Part II(B), whether in the singular, plural or possessive:

1. **"Insured person"** means:
 - a. **you** while **occupying** any **motorcycle**, other than a **motorcycle owned by you** which is not a **covered motorcycle**;
 - b. a **relative** while **occupying** a **covered motorcycle** or **non-owned motorcycle**;
 - c. **you** or any **relative** when struck by a land motor vehicle of any type, a **trailer**, or a **transport trailer**, while not **occupying** a motor vehicle;
 - d. any other person while **occupying** a **covered motorcycle**; and
 - e. any person **occupying** a **trailer** or **transport trailer**:
 - (i) shown on the **Declarations Page**; or
 - (ii) **owned by you** while attached to a **covered motorcycle**.
2. **"Non-owned motorcycle"** means any **motorcycle** that is:
 - a. **not a loaner motorcycle**; and
 - b. **not owned by you**, a **relative**, or the named insured's non-resident spouse.
3. **"Usual and customary charge"** means an amount which **we** determine represents a customary charge for services in the geographical area in which the service is rendered. **We** shall determine the usual and customary charge through the use of independent sources of **our** choice.

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART II(B).

Coverage under this Part II(B) does not apply to **bodily injury**:

1. sustained while **occupying** a **motorcycle** while being used to carry or escort persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to ride-share arrangements or use of a **motorcycle** for charitable events;
2. if workers' compensation benefits are available for the **bodily injury**;
3. arising out of an **accident** involving a **motorcycle**, **trailer**, or **transport trailer** while being used by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered motorcycle**;
4. resulting from any pre-arranged or organized:
 - a. racing;
 - b. stunting;
 - c. speed or demolition contest or activity;closed course event, or in practice or preparation for any such contest, activity, or event. However, this exclusion does not apply to use of a **motorcycle** for escorting participants in charitable racing events;
5. due to a nuclear reaction or radiation;
6. for which insurance is afforded under a nuclear energy liability insurance contract;
7. for which the United States Government is liable under the Federal Tort Claims Act;
8. sustained by any person while **occupying** a **covered motorcycle**, **trailer**, or **transport trailer** without the express or implied permission of **you** or a **relative**;
9. sustained by **you** or a **relative** while **occupying** a **non-owned motorcycle** without the express or implied permission of the **owner**; or
10. that is intentionally inflicted on an **insured person** at that person's request or self-inflicted.

LIMITS OF LIABILITY

The Motorcycle Medical Payments limit of liability shown on the **Declarations Page** is the most **we** will pay for each **insured person**

injured in any one **accident**, regardless of the number of:

1. claims made;
2. **covered motorcycles**;
3. **trailers** or **transport trailers** shown on the **Declarations Page**;
4. **insured persons**;
5. lawsuits brought;
6. vehicles involved in an **accident**; or
7. premiums paid.

Any amount payable to an **insured person** under this Part II(B) will be reduced by any amount paid or payable for the same expense under Part I - Liability To Others or Part III - Uninsured/Underinsured Motorist Coverage.

No one will be entitled to duplicate payments under this policy for the same elements of damages.

OTHER INSURANCE

If there is other applicable vehicle medical payments insurance, **we** will pay only **our** share of the medical and funeral expenses. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits. However, any insurance **we** provide for an **insured person occupying a**:

1. **motorcycle**, other than a **covered motorcycle**;
2. **trailer**, other than a **trailer** being towed by a **covered motorcycle**; or
3. **transport trailer**, other than a **transport trailer** shown on the **Declarations Page**;

will be excess over any other **motorcycle**, **trailer**, or **transport trailer** insurance providing payments for medical or funeral expenses.

PART III - UNINSURED/UNDERINSURED MOTORIST COVERAGE

INSURING AGREEMENT - UNINSURED MOTORIST BODILY INJURY COVERAGE

Subject to the Limits of Liability, if **you** pay the premium for Uninsured Motorist Bodily Injury Coverage, **we** will pay for damages, other than **punitive or exemplary damages**, which an **insured person** is legally entitled to recover from the **owner** or operator of an **uninsured motor vehicle** because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance, or use of an **uninsured motor vehicle**.

INSURING AGREEMENT - UNINSURED MOTORIST PROPERTY DAMAGE COVERAGE

Subject to the Limits of Liability, if **you** pay the premium for Uninsured Motorist Property Damage Coverage, **we** will pay for damages, other than **punitive or exemplary damages**, which an **insured person** is entitled to recover from the **owner** or operator of an **uninsured motor vehicle** due to **property damage**:

1. ~~to a covered motorcycle listed on the Declarations Page as a motorcycle for which Uninsured Motorist Property Damage Coverage is provided;~~
- ~~2.~~ caused by an **accident**; and
- ~~23.~~ arising out of the ownership, maintenance or use of an **uninsured motor vehicle**.

INSURING AGREEMENT - UNDERINSURED MOTORIST BODILY INJURY COVERAGE

Subject to the Limits of Liability, if **you** pay the premium for Underinsured Motorist Bodily Injury Coverage, **we** will pay for damages, other than **punitive or exemplary damages**, which an **insured person** is entitled to recover from the **owner** or operator of an **underinsured motor vehicle** because of **bodily injury**:

1. sustained by an **insured person**;
2. caused by an **accident**; and
3. arising out of the ownership, maintenance, or use of an **underinsured motor vehicle**.

We will pay under this Part III only after the limits of liability under all applicable liability bonds and policies have been exhausted by payment of judgments or settlement.

An **insured person** shall send to **us**, by certified mail, return receipt requested, written notice of any tentative settlement agreement reached with the **owner** or operator of an **underinsured motor vehicle**, or that person's liability insurer. However, this notice requirement shall not apply when **we** are making that offer of settlement as an insurer of the **owner** or operator of the **underinsured motor vehicle**. The notice shall include:

1. written documentation of economic losses incurred, including copies of all medical bills;
2. written authorization or a court order allowing **us** to obtain medical reports from all employers and medical providers; and
3. written confirmation from the **owner** or operator's liability insurer as to the amount of the liability limits and the terms of the settlement agreement. The agreement shall not include any sum representing **punitive or exemplary damages**.

Within thirty (30) days of **our** receipt of written notice of the tentative settlement agreement, **we** may pay the sum offered in settlement to the **insured person**. If **we** do this, **we** are entitled to subrogate to the extent of **our** payment to the **insured person's** right of recovery against the **owner** or operator of the **underinsured motor vehicle** and the **insured person** must assign to **us** all rights to any amounts subsequently paid from all applicable liability bonds and policies.

ADDITIONAL DEFINITIONS

When used in this Part III, whether in the singular, plural or possessive:

1. "**Insured person**" means:
 - a. **you** or a **relative**;
 - b. any person **occupying a covered motorcycle**; and
 - c. any person who is entitled to recover damages covered by this Part III because of **bodily injury** sustained by a person described in a or b above.
2. "**Non-owned motorcycle**" means any **motorcycle** that is not **owned** by **you**, a **relative**, or the named insured's non-resident spouse.
3. "**Property damage**" means physical damage to, or destruction or loss of use of, a **covered motorcycle**.
4. "**Underinsured motor vehicle**" means a land motor vehicle to which a **bodily injury** liability bond or policy applies at the time of the **accident**, but its limit of liability for **bodily injury** is less than the amount of the **insured person's** damages.

An “**underinsured motor vehicle**” does not include any motorized vehicle or equipment:

- a. **owned by you** or a **relative**;
 - b. operated on rails or crawler treads;
 - c. while used as a residence or premises;
 - d. shown on the **Declarations Page** of this policy;
 - e. not required to be registered as a motor vehicle; or
 - f. that is an **uninsured motor vehicle**.
5. “**Uninsured motor vehicle**” means a land motor vehicle:
- a. to which no liability bond or policy applies at the time of the **accident**;
 - b. to which a liability bond or policy applies at the time of the **accident**, but the bonding or insuring company:
 - (i) denies coverage; or
 - (ii) is insolvent, or becomes so within one (1) year of the date of the **accident**; or
 - c. that is a hit-and-run vehicle whose operator or **owner** cannot be identified and which strikes:
 - (i) **you** or a **relative**;
 - (ii) a vehicle that **you** or a **relative** are **occupying**; or
 - (iii) a **covered motorcycle**;
- provided that the **insured person**, or someone on his or her behalf, reports the **accident** to the police or civil authority within twenty-four (24) hours or as soon as practicable after the **accident**.

An “**uninsured motor vehicle**” does not include any motorized vehicle or equipment:

- a. **owned by you** or a **relative**;
- b. **owned** or operated by a self-insurer under any applicable vehicle law, except a self-insurer that is or becomes insolvent;
- c. operated on rails or crawler treads;
- d. while being used as a residence or premises;
- e. shown on the **Declarations Page** of this policy;
- f. not required to be registered as a motor vehicle; or
- g. that is an **underinsured motor vehicle**.

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART III.

1. Coverage under this Part III is not provided for **bodily injury** sustained by any person while using or **occupying**:
 - a. a **covered motorcycle** while being used to carry or escort persons or property for compensation or a fee, including, but not limited to, delivery of magazines, news-papers, food, or any other products. This exclusion does not apply to ride-share arrangements or use of a **motorcycle** for charitable events;
 - b. a **covered motorcycle** without the express or implied permission of **you** or a **relative**;
 - c. a **non-owned motorcycle** without the express or implied permission of the **owner**; or
 - d. a motorized vehicle or device of any type designed to be operated on the public roads that is **owned by you** or a **relative**, other than a **covered motorcycle**.
2. Coverage under this Part III is not provided for **property damage**:
 - a. sustained while a **covered motorcycle** is being used to carry or escort persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to ride-share arrangements or use of a **motorcycle** for charitable events;
 - b. sustained while a **covered motorcycle** is being used or driven by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering or testing vehicles. However, this exclusion does not apply to **you**, a **relative**, or an agent or employee of **you** or a **relative**, when using a **covered motorcycle**;
 - c. resulting from any pre-arranged or organized:
 - (i) racing;
 - (ii) stunting;
 - (iii) speed or demolition contest or activity;closed course event, or in practice or preparation for any such contest, activity, or event. However, this exclusion does not apply to use of a **motorcycle** for escorting participants in charitable racing events;
 - d. due to a nuclear reaction or radiation;
 - e. for which insurance is afforded under a nuclear energy liability insurance contract; or
 - f. to a trailer.
3. Coverage under this Part III will not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law.

LIMITS OF LIABILITY

The limit of liability shown on the **Declarations Page** for the coverages under this Part III is the most **we** will pay regardless of the number of:

1. claims made;
2. **covered motorcycles**;
3. trailers shown on the **Declarations Page**;
4. **insured persons**;
5. lawsuits brought;
6. vehicles involved in an **accident**; or
7. premiums paid.

If the **Declarations Page** shows that “combined single limit” or “CSL” applies, the amount shown is the most **we** will pay for the total of all damages resulting from any one **accident**. However, without changing this total “each accident” limit of liability, **we** will comply with any law that requires **us** to provide any separate limits.

If **your Declarations Page** shows a split limit:

1. the amount shown for “each person” is the most **we** will pay for all damages due to **bodily injury** to one person;
2. subject to the “each person” limit, the amount shown for “each accident” is the most **we** will pay for all damages due to **bodily injury** sustained by two or more persons in any one **accident**; and
3. the amount shown for “property damage” is the most **we** will pay for the aggregate of all **property damage** caused by any one **accident**.

The “each person” limit of liability includes the total of all claims made for **bodily injury** to an **insured person** and all claims of others derived from such **bodily injury**, including, but not limited to, emotional injury or mental anguish resulting from the **bodily injury** of another or from witnessing the **bodily injury** to another, loss of society, loss of companionship, loss of services, loss of consortium, and wrongful death.

In determining the amount payable under this Part III, the amount of the damages sustained by the **insured person** due to **bodily injury** shall be reduced by all sums:

1. paid by or on behalf of any persons or organizations that may be legally responsible, including, but not limited to, all sums paid under Part I - Liability To Others;
2. paid under Part II(A) - Personal Injury Protection Coverage or Part II(B) - Motorcycle Medical Payments Coverage; and
3. paid or payable because of **bodily injury** under any of the following or similar laws:
 - a. workers’ compensation law; or
 - b. disability benefits law.

The Limits of Liability under this Part III for **property damage** shall be reduced by all sums paid:

1. because of **property damage** by or on behalf of any persons or organizations who may be legally responsible, including, but not limited to, all sums paid under Part I - Liability To Others; and
2. under Part IV - Damage To A Motorcycle for **property damage**.

Our Limit of Liability under this Part III for **property damage** arising out of one **accident** is the lowest of:

1. the actual cash value of the **property damage** at the time of the **accident**, reduced by the applicable deductible, and by its salvage value if **you** or the **owner** retain the salvage;
2. the amount necessary to replace the **property damage**, reduced by the applicable deductible, and by its salvage value if **you** or the **owner** retain the salvage;
3. the amount necessary to repair the **property damage** to its pre-loss condition, reduced by the applicable deductible; or
4. any limit of liability shown on the **Declarations Page** for “property damage” under this Part III, reduced by the salvage value of the **property damage** if **you** or the **owner** retain the salvage.

Payments for **property damage** under this Part III are subject to the following provisions:

1. any amount payable under this Part III for **property damage** shall be subject to the deductible shown on the **Declarations Page**;
2. no more than one deductible shall be applied to any one **accident**;
3. the deductible under this Part III shall not apply if:
 - a. the operator of the **uninsured motor vehicle** has been positively identified and is solely at fault; and
 - b. the **covered motorcycle** is insured for Collision Coverage under Part IV - Damage To A Motorcycle;
4. an adjustment for depreciation and physical condition, including betterment, will be made in determining the Limit of Liability at the time of the **accident**; and
5. **IN THE REPAIR OF YOUR COVERED MOTORCYCLE UNDER THE PHYSICAL DAMAGE COVERAGE PROVISIONS OF THIS POLICY, WE MAY REQUIRE OR SPECIFY THE USE OF MOTOR VEHICLE PARTS NOT MADE BY THE ORIGINAL MANUFACTURER. THESE PARTS ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT,**

QUALITY, PERFORMANCE, AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS THEY REPLACE.

Any payment made to a person under this Part III shall reduce any amount that the person is entitled to recover for the same elements of damages under Part I - Liability To Others or for **loss** under Part IV - Damage To A Motorcycle.

No one will be entitled to duplicate payments for the same elements of damages.

Any judgment or settlement for damages against an operator or **owner** of an **uninsured motor vehicle** or **underinsured motor vehicle** which arises out of a lawsuit brought without **our** written consent is not binding on **us**.

OTHER INSURANCE

If there is other applicable uninsured or underinsured motorist coverage, **we** will pay only **our** share of the damages. **Our** share is the proportion that **our** limit of liability bears to the total of all available coverage limits. However, any insurance **we** provide under this Part III with respect to any vehicle that is not a **-covered motorcycle** shall be excess over any other uninsured or underinsured motorist coverage, ~~except:~~

- ~~1. coverage for **bodily injury to you or a relative when occupying a covered motorcycle**; and~~
- ~~2. similar insurance provided by a policy issued to the **owner** of the **loaner motorcycle** if **you** are operating the **loaner motorcycle** involved in an accident; and~~
 - ~~a. an **insured person** sustains **bodily injury**; or~~
 - ~~b. the **loaner motorcycle** sustains **property damage**.~~

We will not pay for any damages which would duplicate any payment made for damages under other insurance.

ARBITRATION

If **we** and an **insured person** cannot agree on:

1. the legal liability of the operator or **owner** of an **uninsured motor vehicle** or **underinsured motor vehicle**; or
2. the amount of the damages sustained by the **insured person**;

this will be determined by arbitration if **we** and the **insured person** agree to arbitration prior to the expiration of the bodily injury statute of limitations in the state in which the **accident** occurred.

If **we** and the **insured person** agree to arbitration, each party shall select an arbitrator. The two arbitrators will select a third. If the two arbitrators cannot agree on a third arbitrator within thirty (30) days, then on joint application by the **insured person** and **us**, the third arbitrator will be appointed by a court having jurisdiction.

Each party will pay the costs and fees of its arbitrator and any other expenses it incurs. The costs and fees of the third arbitrator will be shared equally.

Unless both parties agree otherwise, arbitration will take place in the county in which the **insured person** resides. Local rules of procedure and evidence will apply.

A decision agreed to by two of the arbitrators will determine:

1. the legal liability of the operator or **owner** of an **uninsured motor vehicle** or **underinsured motor vehicle**; and
 2. the amount of the damages sustained by the **insured person**;
- but will not be binding on either the **insured person** or **us**.

The arbitrators shall have no authority to award an amount in excess of the limit of liability.

PART IV - DAMAGE TO A MOTORCYCLE

INSURING AGREEMENT - COLLISION COVERAGE

If **you** pay the premium for Collision Coverage, **we** will pay for **loss** to a **covered motorcycle** for which Collision Coverage has been purchased, or for **loss** to a **loaner motorcycle**, when it overturns or is in a collision with another object, subject to the Limits of Liability.

INSURING AGREEMENT - COMPREHENSIVE COVERAGE

If **you** pay the premium for Comprehensive Coverage, **we** will pay for a comprehensive **loss** to a **covered motorcycle** for which Comprehensive Coverage has been purchased, or for a comprehensive **loss** to a **loaner motorcycle**, subject to the Limits of Liability.

A comprehensive **loss** is a **loss** to a **covered motorcycle**, or **loaner motorcycle**, other than a **loss** covered under Collision Coverage, including, but not limited to, **loss** caused by any of the following:

1. contact with an animal (including a bird);
2. explosion or earthquake;
3. fire;
4. malicious mischief or vandalism;
5. missiles or falling objects;
6. riot or civil commotion;
7. theft or larceny; or
8. windstorm, hail, water, or flood.

If **we** can pay the **loss** under either Comprehensive Coverage or Collision Coverage, **we** will pay under the coverage where **you** collect the most.

INSURING AGREEMENT - TRANSPORT TRAILER PHYSICAL DAMAGE COVERAGE

If **you** pay the premium for Transport Trailer Physical Damage Coverage, **we** will pay for **loss** to **your owned transport trailer**, subject to the Limits of Liability.

INSURING AGREEMENT - CUSTOM PARTS OR EQUIPMENT COVERAGE & ADDITIONAL CUSTOM PARTS OR EQUIPMENT COVERAGE

Subject to the Limits of Liability, if **you** pay the premium for Comprehensive Coverage or Collision Coverage, **we** will pay for theft of, or damage to, **custom parts or equipment** resulting from any **loss** for which Comprehensive Coverage or Collision Coverage is provided under the terms of this policy. All payments for **loss** to **custom parts or equipment** shall be reduced by the applicable deductible, but only one deductible may be applied to any one **loss** in an **accident** which is covered by this Part IV. However, Additional Custom Parts or Equipment Coverage applies only to **custom parts or equipment** on a **covered motorcycle** for which such coverage has been purchased.

ADDITIONAL DEFINITIONS

When used in this Part IV:

1. “**Custom parts or equipment**” means equipment, devices, accessories, enhancements, and changes, other than those which are original manufacturer installed, which alter the appearance or performance of a **covered motorcycle**. This includes, but is not limited to:
 - a. any electronic equipment, antennas, and other devices used exclusively to send or receive audio, visual, or data signals, or play back recorded media, that are permanently installed on a **covered motorcycle** using bolts or brackets, including slide-out brackets;
 - b. sidecars;
 - c. custom paint, custom plating, and custom exhaust;
 - d. **trailers**; and
 - e. **safety riding apparel**.
2. “**Safety riding apparel**” means safety apparel specifically designed to minimize injury from an **accident**, including, but not limited to, helmets, leathers, riding boots, riding gloves, and protective eyewear.
3. “**Total loss**” means:
 - a. the theft of the **covered motorcycle** ~~or loaner motorcycle~~ if it is not recovered within thirty (30) days; or
 - b. any other **loss** to the **covered motorcycle** ~~or loaner motorcycle~~ that is payable under this Part IV if the cost to repair the damage (including parts and labor), when combined with the salvage value, exceeds the actual cash value of the **covered**

motorcycle ~~or loaner motorcycle~~ at the time of the loss.

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART IV.

Coverage under this Part IV does not apply for loss:

1. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, while being used to carry or escort persons or property for compensation or a fee, including, but not limited to, delivery of magazines, newspapers, food, or any other products. This exclusion does not apply to ride-share arrangements or use of a **motorcycle** for charitable events;
2. to any **covered motorcycle** or **transport trailer** while it is leased or rented to others;
3. to a **loaner motorcycle** if being maintained or used by a person while employed or engaged in any **business** not described in the next exclusion. This exclusion does not apply to the use by **you** or any **relative** of a **loaner motorcycle**;
4. to a **loaner motorcycle** or **transport trailer** while being used by a person while employed or engaged in the **business** of selling, leasing, repairing, parking, storing, servicing, delivering, or testing vehicles;
5. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, resulting from any pre-arranged or organized:
 - a. racing;
 - b. stunting;
 - c. speed or demolition contest or activity;closed course event, or in practice or preparation for any such contest, activity, or event. However, this exclusion does not apply to use of a **motorcycle** for escorting participants in charitable racing events;
6. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, due to a nuclear reaction or radiation;
7. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, for which insurance is afforded under a nuclear energy liability insurance contract;
8. due to destruction or confiscation by governmental or civil authorities of a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, because **you** or any **relative** engaged in illegal activities;
9. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, caused by an intentional act by **you**, a **relative**, or the **owner** of the **loaner motorcycle**, or at the direction of **you**, a **relative**, or the **owner** of the **loaner motorcycle**;
10. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, that is due and confined to:
 - a. wear and tear;
 - b. freezing; or
 - c. mechanical or electrical breakdown or failureThis exclusion does not apply if the damage results from the theft of a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**;
11. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, that is due to collision and confined to tire inner tubes or tires, or a combination thereof;
12. due to theft or conversion of a **covered motorcycle**, ~~loaner motorcycle~~, or **transport-trailer**:
 - a. by **you**, a **relative**, or any resident of **your** household;
 - b. prior to its delivery to **you** or a **relative**; or
 - c. while in the care, custody, or control of anyone engaged in the **business** of selling the **motorcycle** or **transport trailer**;
13. to equipment, devices, accessories, and any other personal effects which are not permanently installed or attached by brackets or bolts. This includes, but is not limited to:
 - a. tapes, compact discs, cassettes, and other recording or recorded media;
 - b. any case or other container designed for use in storing or carrying tapes, compact discs, cassettes, or other recording or recorded media;
 - c. any device used for the detection or location of radar, laser, or other speed measuring equipment or its transmissions; and
 - d. CB radios, telephones, two-way mobile radios, or televisions;
14. to **custom parts or equipment** in excess of the applicable Limits of Liability;
15. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, for diminution of value;
16. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, caused directly or indirectly by mold, mildew or fungus, including any type or form of:
 - a. decomposing or disintegrating organic material or microorganism;
 - b. organic surface growth on moist, damp, or decaying matter;
 - c. yeast or spore-bearing plant-like organism; or
 - d. spores, scents, toxins, bacteria, viruses, or any other by-products produced or released by any mold, mildew, fungus, or other microbes.However, this exclusion does not apply to **loss** caused by mold, mildew or fungus, if such **loss** is caused by any other **loss** covered under this Part IV;
17. to a **covered motorcycle**, ~~loaner motorcycle~~, or **transport trailer**, caused directly or indirectly by:
 - a. war (declared or undeclared), including civil war;
 - b. warlike action by any military force of any government, sovereign or other authority using military personnel or agents. This includes any action taken to hinder or defend against an actual or expected attack;

- c. insurrection, rebellion, revolution, usurped power, or any action taken by a governmental authority to hinder or defend against any of these acts;
 - d. any accidental or intentional discharge, dispersal or release of radioactive, nuclear, pathogenic or poisonous biological material; or
 - e. any intentional discharge, dispersal or release of chemical or hazardous material for any purpose other than its safe and useful purpose; or
18. to **safety riding apparel**, except for collision damage that occurs while it is being worn by **you** or a passenger.

LIMITS OF LIABILITY

1. The limit of liability for **loss** to a **covered motorcycle** ~~or loaner motorcycle~~ is the lowest of:
 - a. the actual cash value of the stolen or damaged property at the time of the **loss**, reduced by the applicable deductible shown on the **Declarations Page**, and by its salvage value if **you** or the **owner** retain the salvage;
 - b. the amount necessary to replace the stolen or damaged property, reduced by the applicable deductible shown on the **Declarations Page**, and by its salvage value if **you** or the **owner** retain the salvage;
 - c. the amount necessary to repair the damaged property to its pre-loss condition, reduced by the applicable deductible shown on the **Declarations Page**; or
 - d. any applicable Limits of Liability or Agreed Value elected by **you**, reduced by its salvage value if **you** or the **owner** retain the salvage.
2. The limit of liability for **loss** to **your owned transport trailer** is the lowest of:
 - a. the amount necessary to replace the stolen or damaged property, reduced by the applicable deductible shown on the **Declarations Page**, and by its salvage value if **you** or the **owner** retain the salvage;
 - b. the amount necessary to repair the damaged property to its pre-loss condition, reduced by the applicable deductible shown on the **Declarations Page**; or
 - c. any applicable Limits of Liability shown on the **Declarations Page**, reduced by its salvage value if **you** or the **owner** retain the salvage.
3. The limit of liability for **loss** to **custom parts or equipment** is the lowest of:
 - a. the amount necessary to replace such **custom parts or equipment**, reduced by the applicable deductible, and reduced by its salvage value if **you** or the **owner** retain the salvage;
 - b. the amount necessary to repair such **custom parts or equipment**, reduced by the applicable deductible; or
 - c. the limit of \$1,000 if **you** did not purchase Additional Custom Parts or Equipment Coverage.
4. The limit of liability for **loss** to Additional Custom Parts or Equipment ("ACPE") is the lowest of:
 - a. the amount necessary to replace such **custom parts or equipment**, reduced by the applicable deductible, and reduced by its salvage value if **you** or the **owner** retain the salvage;
 - b. the amount necessary to repair such **custom parts or equipment**, reduced by the applicable deductible; or
 - c. the limit shown on the **Declarations Page** for Additional Custom Parts or Equipment.
5. If **your Declarations Page** shows Agreed Value for Comprehensive or Collision Coverage for a **covered motorcycle**, then the following provision shall apply:
 - a. The limit of liability for **loss** to a **covered motorcycle** with Agreed Value, including its **custom parts or equipment**, is the lower of:
 - (i) the amount necessary to repair the damaged property to its pre-loss condition, reduced by the applicable deductible shown on the **Declarations Page**; or
 - (ii) the agreed value shown on the **Declarations Page**, reduced by its salvage value if **you** or the **owner** retain the salvage.
6. Payments for **loss** covered under this Part IV are subject to the following provisions:
 - a. No more than one deductible shall be applied to any one covered **loss**;
 - b. If coverage applies to a **loaner motorcycle**, we will provide the broadest coverage applicable to any **motorcycle** shown on the **Declarations Page**. However, the highest deductible on any **covered motorcycle** shall apply;
 - c. If Agreed Value is elected by **you**, the agreed value is the most we will pay for all **loss** to a **covered motorcycle**, including its **custom parts or equipment**;
 - d. An adjustment for depreciation or physical condition, which may also be referred to as betterment, wear and tear, or prior damage, will be made in determining the Limits of Liability;
 - e. In determining the amount necessary to repair damaged property to its preloss condition, the amount to be paid by **us**:
 - (i) shall not exceed the prevailing competitive labor rates charged in the area where the property is to be repaired, and the cost of repair or replacement parts and equipment, as reasonably determined by **us**; and
 - (ii) will be based on the cost of repair or replacement parts and equipment which may be new, reconditioned, remanufactured, or used, including, but not limited to:
 - (a) original manufacturer parts or equipment; and
 - (b) nonoriginal manufacturer parts or equipment;
 - f. To determine the amount necessary to repair the damaged property to its pre-loss condition as referred to in paragraph 6.e., the total cost of necessary repair will be reduced by:
 - (i) the cost of labor, parts and materials necessary to repair or replace damage, deterioration, defects, or wear and tear on

exterior body parts, windshields, wheels, and paint, that existed prior to the **accident** and that is eliminated as a result of the repair or replacement of property damaged in the **loss**. This adjustment for physical condition includes, but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and peeling paint;

- (ii) an amount for depreciation (also referred to as betterment) that represents a portion of the cost of mechanical parts (parts that wear out over time and have a useful life typically shorter than the life of the motorcycle as a whole) that are installed as replacements for existing mechanical parts that were defective, inoperable or nonfunctional prior to the **accident**, which **we** deem necessary to replace in the course of repair; and
 - (iii) an amount for depreciation (also referred to as betterment) that represents a portion of the cost for replacement tires, batteries, engine or transmission, determined by the proportional increase in the useful life of the replacement part when compared to the replaced part. For example, if **we** replace a twenty-four (24) month old battery that had a manufacturer's rated life of sixty (60) months with a new sixty (60) month rated battery, **our** payment for the battery is reduced by forty percent (40%) and **you** are responsible to pay that forty percent (40%) portion of the cost of the battery;
- g. If **you** have not purchased Additional Custom Parts or Equipment Coverage, in the event of a **total loss**:
- (i) **we** will pay one hundred percent (100%) of the replacement cost of **custom parts or equipment** if such **custom parts or equipment** were originally purchased within twelve (12) months of the date of **loss** and the purchase date is supported by proper documentation, up to the limit of \$1,000; or
 - (ii) **we** will pay eighty percent (80%) of the replacement cost of the **custom parts or equipment** if the **custom parts or equipment** were originally purchased more than twelve (12) months prior to the date of **loss**, up to the limit of \$1,000;
- h. The actual cash value is determined by the market value, age and condition of the **motorcycle** at the time the **loss** occurs;
- i. Duplicate recovery for the same elements of damages is not permitted;
- j. any amount paid or payable under this Part IV shall be reduced by any amount paid for **property damage** to the **motorcycle** under Part III - Uninsured/Underinsured Motorist Coverage; and
- k. IN THE REPAIR OF **YOUR COVERED MOTORCYCLE** UNDER THE PHYSICAL DAMAGE COVERAGE PROVISIONS OF THIS POLICY, **WE** MAY REQUIRE OR SPECIFY THE USE OF MOTOR VEHICLE PARTS NOT MADE BY THE ORIGINAL MANUFACTURER. THESE PARTS ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT, QUALITY, PERFORMANCE, AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS THEY REPLACE.
7. If more than one **motorcycle** is shown on **your Declarations Page**, coverage will be provided as specified on the **Declarations Page** as to each **motorcycle**.
8. If two or more deductibles apply to any one covered **loss**, only the lowest deductible will apply.

PAYMENT OF LOSS

At **our** expense, **we** may return any recovered stolen property to **you** or to the address shown on the **Declarations Page**, with payment for any damage resulting from the theft. **We** may keep all or part of the property at the agreed or appraised value. **We** may settle any **loss** with **you** or the **owner** or lienholder of the property.

NO BENEFIT TO BAILEE

Coverage under this Part IV will not directly or indirectly benefit any carrier or other bailee for hire.

LOSS PAYEE AGREEMENT

Payment under this Part IV for a **total loss** to a **covered motorcycle** will be made according to **your** interest and the interest of any Loss Payee or lienholder shown on the **Declarations Page** or designated by **you**. Payment may be made to both jointly, or separately, at **our** discretion. **We** may make payment for a partial **loss** covered under this Part IV directly to the repair facility with **your** consent.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of **you** or a **relative**, or where the **loss** is otherwise not covered under the terms of this policy, the Loss Payee or lienholder's interest will not be protected.

We will be entitled to the Loss Payee or lienholder's rights of recovery, to the extent of **our** payment to the Loss Payee or lienholder.

OTHER INSURANCE

If there is other applicable insurance, **we** will pay only **our** share of the **loss**. **Our** share is the proportion that **our** limit of liability bears to the total of all applicable limits of liability.

~~Any insurance **we** provide for a **loaner motorcycle** will be primary over any applicable insurance provided by a policy issued to the **owner** of the **loaner motorcycle** for **loss** arising out of **your** use of the **loaner motorcycle**.~~

APPRAISAL

If **we** cannot agree with **you** on the amount of a **loss**, then **we** and **you** may agree to appraisal of the **loss**. If the parties agree to appraisal, each party shall appoint a competent and impartial appraiser. The appraisers will determine the amount of **loss**. If they fail to agree, the disagreement will be submitted to a qualified and impartial umpire chosen by the appraisers. If the two appraisers are unable to agree upon an umpire within fifteen (15) days, **we** or **you** may request that a judge of a court of record, in the county where **you** reside, select an umpire. The appraisers and umpire will determine the amount of **loss**. The amount of **loss** agreed to by both appraisers, or by one appraiser and the umpire, will determine the amount payable under this Part IV, but will not be binding. **You** will pay **your** appraiser's fees and expenses. **We** will pay **our** appraiser's fees and expenses. Payment of the umpire and all other expenses of the appraisal will be shared equally between **us** and **you**. Neither **we** nor **you** waive any rights under this policy by agreeing to an appraisal.

PART V - ROADSIDE ASSISTANCE COVERAGE

INSURING AGREEMENT

If **you** pay the premium for Roadside Assistance Coverage, **we** will pay for **our** authorized service representative to provide the following services when necessary due to a **covered emergency**:

1. towing of a **covered disabled motorcycl** to the nearest qualified repair facility; and
2. labor on a **covered disabled motorcycl** at the place of disablement.

If a **covered disabled motorcycl** is towed to any place other than the nearest qualified repair facility, **you** will be responsible for any additional mileage charges incurred.

ADDITIONAL DEFINITIONS

When used in this Part V, whether in the singular, plural or possessive:

1. "**Covered disabled motorcycl**" means a disabled **covered motorcycl** for which this coverage has been purchased.
2. "**Covered emergency**" means a disablement that is a result of:
 - a. mechanical or electrical breakdown;
 - b. battery failure;
 - c. insufficient supply of fuel, oil, water, or other fluid;
 - d. flat tire;
 - e. lock-out; or
 - f. entrapment in snow, mud, water or sand, within 100 feet of a road or highway.

EXCLUSIONS - READ THE FOLLOWING EXCLUSIONS CAREFULLY. IF AN EXCLUSION APPLIES, COVERAGE WILL NOT BE AFFORDED UNDER THIS PART V.

Coverage under this Part V does not apply to:

1. the cost of purchasing parts, fluid, lubricants, fuel or replacement keys, or the labor to make replacement keys;
2. installation of products or material not related to the disablement;
3. labor not related to the disablement;
4. labor on a **covered disabled motorcycl** for any time period in excess of sixty (60) minutes per disablement;
5. towing or storage related to impoundment, abandonment, illegal parking, or other violations of law;
6. towing from a service station, garage, or repair shop;
7. labor or repair work performed at a service station, garage, or repair shop;
8. vehicle storage charges;
9. a second service call or tow for a single disablement;
10. disablement that occurs on roads not regularly maintained, sand beaches, open fields, or areas designated as not passable due to construction;
11. tire repair;
12. repeated service calls for a **covered disabled motorcycl** in need of routine maintenance or repair;
13. disablement that results from an intentional or willful act or action by **you**, a **relative** or the operator of a **covered disabled motorcycl**; or
14. a **trailer**.

UNAUTHORIZED SERVICE PROVIDER

When service is rendered by a provider in the **business** of providing roadside assistance and towing services, other than one of **our** authorized service representatives, **we** will only pay reasonable charges, as determined by **us**, for:

1. towing of a **covered disabled motorcycl** to the nearest qualified repair facility; and
2. labor on a **covered disabled motorcycl** at the place of disablement;

which is necessary due to a **covered emergency**.

OTHER INSURANCE

Any coverage provided under this Part V for service rendered by an unauthorized service provider will be excess over any other collectible insurance or towing protection coverage.

GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

This policy applies only to **accidents** and **losses** occurring during the policy period shown on the **Declarations Page** and which occur within any state, territory, or possession of the United States of America, or any province or territory of Canada, or while a **covered motorcycle**, non-owned motorcycle, or **trailer** is being transported between their ports.

POLICY CHANGES

This policy, **your** insurance application (which is made a part of this policy as if attached hereto), the **Declarations Page**, as amended, and endorsements to this policy issued by **us** contain all the agreements between **you** and **us**. Subject to the following, its terms may not be changed or waived except by an endorsement issued by **us**.

The premium for each **motorcycle** is based on information **we** have received from **you** or other sources.

You agree to cooperate with **us** in determining if this information is correct and complete, and **you** will notify **us** if it changes during the policy period. If this information is incorrect, incomplete, or changes during the policy period, **we** may adjust **your** premium during the policy period, or take other appropriate action. To properly insure **your motorcycle**, **you** must promptly notify **us** when:

1. **you** change **your** address;
2. any resident operators are added or deleted; or
3. **you** acquire an additional or replacement **motorcycle**.

Changes that may result in a premium adjustment are contained in **our** rates and rules. These include, but are not limited to, **you** or a **relative** obtaining a driver's license or operator's permit, or changes in:

1. the number or type of **covered motorcycles**;
2. operators using **covered motorcycles**;
3. an operator's marital status;
4. the place of principal garaging of any **covered motorcycle**;
5. coverage, deductibles, or limits of liability; or
6. rating territory or discount eligibility.

TERMS OF POLICY CONFORMED TO STATUTES

If any provision of this policy fails to conform with the legal requirements of the state listed on **your** application as **your** residence, the provision shall be deemed amended to conform with such legal requirements. All other provisions shall be given full force and effect. Any disputes as to the coverages provided or the provisions of this policy shall be governed by the law of the state listed on **your** application as **your** residence.

TRANSFER

This policy may not be transferred to another person without **our** written consent. If a named insured dies, this policy will provide coverage until the end of the policy period for the legal representative of the named insured, while acting as such, and for persons covered under this policy on the date of the named insured's death.

FRAUD OR MISREPRESENTATION

This policy was issued in reliance upon the information provided on **your** insurance application. **We** may void this policy if **you** or an insured person:

1. made incorrect statements or representations to **us** with regard to any material fact or circumstance;
2. concealed or misrepresented any material fact or circumstance; or
3. engaged in fraudulent conduct;

at the time of application. **We** may void this policy due to fraud, misrepresentation, or an incorrect statement of a material fact in the application, even after the occurrence of an **accident** or **loss**. If **we** void this policy, this shall not affect coverage under Part I - Liability To Others of this policy for an **accident** that occurs before **we** notify the named insured that the policy is void. No payment will be made to any person who concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct. If **we** void this policy, **you** must reimburse **us** if **we** make a payment.

We may deny coverage for an **accident** or **loss** if **you** or an insured person have knowingly concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

PAYMENT OF PREMIUM

If **you** initial premium payment is by check, draft, or any remittance other than cash, coverage under this policy is conditioned upon the check, draft, or remittance being honored upon presentment to the bank or other financial institution. If the check, draft, or remittance is not honored upon presentment, this policy may, at **our** option, be deemed void from its inception. This means that **we** will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

A charge may be added to **your** account if:

1. **you** tender a check, draft, remittance or other method of payment to **us** for any full or partial payment of **your** premium, other than **your** initial payment, and the check, draft, remittance or other method of payment is returned to **us** or refused because of insufficient funds, a closed account, or a stop payment order; or
2. **your** premium payment is received after the due date but prior to cancellation.

CANCELLATION

You may cancel this policy by calling or writing **us**, and stating the future date that **you** wish the cancellation to be effective.

We may cancel this policy by mailing a notice of cancellation to the named insured and any lienholders or loss payees shown on the **Declarations Page** at the last known address appearing in **our** records. If **we** cancel this policy at any time due to nonpayment of premium, notice of cancellation will be mailed at least ten (10) days before the effective date of cancellation. Notice of cancellation due to any reason other than nonpayment of premium will be mailed at least twenty (20) days before the effective date of cancellation.

We may cancel this policy for any reason within the first sixty (60) days of the initial policy period.

After this policy is in effect for more than sixty (60) days, or if this is a renewal or continuation policy, **we** may only cancel for one or more of the following reasons:

1. **you** do not pay the required premium for this policy when due;
2. fraud or misrepresentation by **you** of any material fact in the procurement or renewal of this policy or in the submission of any claim under this policy;
3. the occurrence of a material change in the risk that substantially increases any hazard insured against after policy issuance;
4. a material violation of a material provision of the policy; or
5. any other reason specified by law.

With respect to cancellation, this policy is neither severable nor divisible. Any cancellation will be effective for all coverage for all persons and all **motorcycles**.

If this policy is canceled, coverage will not be provided as of the effective date and time shown in the notice of cancellation.

CANCELLATION REFUND

Upon cancellation, **you** may be entitled to a premium refund. However, **our** making or offering of a refund is not a condition of cancellation.

If this policy is canceled, any refund due will be computed on a daily pro-rata basis. However, **we** shall retain a cancellation fee if this policy is canceled at **your** request, or if cancellation is for nonpayment of premium, during the initial policy period.

NONRENEWAL

If **we** decide not to renew or continue this policy, other than for nonpayment of premium, **we** will mail notice of nonrenewal to the named insured shown on the **Declarations Page** at the last known address appearing in **our** records. Notice will be mailed at least thirty (30) days before the end of the policy period.

PROOF OF NOTICE

Proof of mailing of any notice will be sufficient proof of notice.

AUTOMATIC TERMINATION

Coverage for a **covered motorcycle** shall terminate automatically:

1. when a person other than **you** or a **relative** becomes the **owner** of the **motorcycle**; or

2. on the effective date of any other motor vehicle insurance policy covering that **motorcycle**.

COVERAGE CHANGES

If **we** make a change which broadens a coverage **you** have under this edition of **your** policy, without additional charge, **you** will receive the broadened coverage. The broadened coverage applies on the date the coverage change is implemented in **your** state. This provision does not apply to a general program revision or **our** issuance of a subsequent edition of **your** policy. Otherwise, this policy can be changed only by endorsement issued by **us**.

LEGAL ACTION AGAINST US

We may not be sued unless there is full compliance with all the terms of this policy. Any lawsuit against **us** by **you**, a **relative**, or any other insured person following an **accident**, for an alleged breach of **our** obligations under this policy, must be commenced within the time period set forth as the bodily injury statute of limitations in the laws of the state listed in **our** records as **your** principal address.

We may not be sued for payment under Part I - Liability To Others until the obligation of an insured person to pay is finally determined either by final judgment against that person or by written agreement of the insured person, the claimant, and **us**. No one will have any right to make **us** a party to a lawsuit to determine the liability of an insured person.

If **we** retain salvage, **we** have no duty to preserve or otherwise retain the salvage for any purpose, including evidence for any civil or criminal proceeding.

OUR RIGHTS TO RECOVER PAYMENT

In the event of any payment under this policy, **we** are entitled to all the rights of recovery that the insured person to whom payment was made has against another after the insured person has been fully compensated for his or her **loss**. That insured person must sign and deliver to **us** any legal papers relating to that recovery, do whatever else is necessary to help **us** exercise those rights, and do nothing after an **accident** or **loss** to prejudice **our** rights.

However, **we** may not assert rights of recovery against any person who was using a **covered motorcycle** with **your** express or implied permission for any payment made under Part IV - Damage To A Motorcycle.

When an insured person has been paid by **us** under this policy and also recovers from another person, entity, or organization, the amount recovered will be held by the insured person in trust for **us** and reimbursed to **us** to the extent of **our** payment. However, this shall not apply to payment by **us** under any Accidental Death Benefits Coverage provided under Part II(A) - Personal Injury Protection Coverage of this policy.

If recovery is made by an insured person under this policy from a responsible person, entity, or organization without **our** written consent, the insured person's right to payment under any affected coverage will no longer exist.

Our right of recovery does not apply to underinsured motorist benefits if:

1. the insured person sends **us** written notice, in accordance with the requirements of Part III - Uninsured/Underinsured Motorist Coverage, of any tentative settlement agreement reached with the **owner** or operator of an underinsured motor vehicle, or such person's liability insurer; and
2. **we** fail to pay the sum offered in settlement to the insured person by the **owner** or operator of an underinsured motor vehicle, or that person's liability insurer, within thirty (30) days of **our** receipt of such notice.

Our right of recovery does not apply to underinsured motorist benefits to the extent of any payment **we** have made to the insured person under a policy of liability insurance issued by **us** to the **owner** or operator of an underinsured motor vehicle.

If **we** elect to exercise **our** rights of recovery against a responsible person, entity, or organization, **you** authorize **us**, at **our** option, to recover any deductible incurred by **you** for property damage covered by this policy. **We** have no obligation to seek repayment of the deductible if **we** pursue recovery through Inter-company Arbitration. **We** have no obligation to pursue recovery against a responsible person, entity, or organization for anything other than the deductible incurred by **you** and the amount **we** have paid for property damage. If **you** or an insured person have other claims to pursue against the responsible person, entity or organization for recovery of damages not paid by **us**, then:

1. a separate or independent legal action may be filed by **you** or that insured person; or
2. the claims may be joined with **our** action if that person notifies **us** and secures separate counsel to protect those other interests.

We reserve the right to compromise or settle the deductible and property damage claims against the liable parties for less than the full amount. **We** reserve the right to incur reasonable expenses and attorney fees in pursuit of the recovery. **You** are entitled to

reimbursement of **your** proportionate share of any recovery, subject to a reduction for **your** proportionate share of expenses and attorney fees incurred in connection with these collection efforts.

JOINT AND INDIVIDUAL INTERESTS

If there is more than one named insured on this policy, any named insured may cancel or change this policy. The action of one named insured shall be binding on all persons provided coverage under this policy.

BANKRUPTCY

The bankruptcy or insolvency of an insured person will not relieve **us** of any obligations under this policy. If execution of a judgment against an insured person under Part I - Liability To Others is returned unsatisfied because of the insolvency or bankruptcy of the insured person, the person claiming payment for damages under Part I may maintain an action against **us** for the amount of the judgment not exceeding **our** Limits of Liability.